PERSUASION

published by
PERSUASION, INC.
260 west 86 street, n.y.c.

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distributed by the
Metropolitan Young Republican Club

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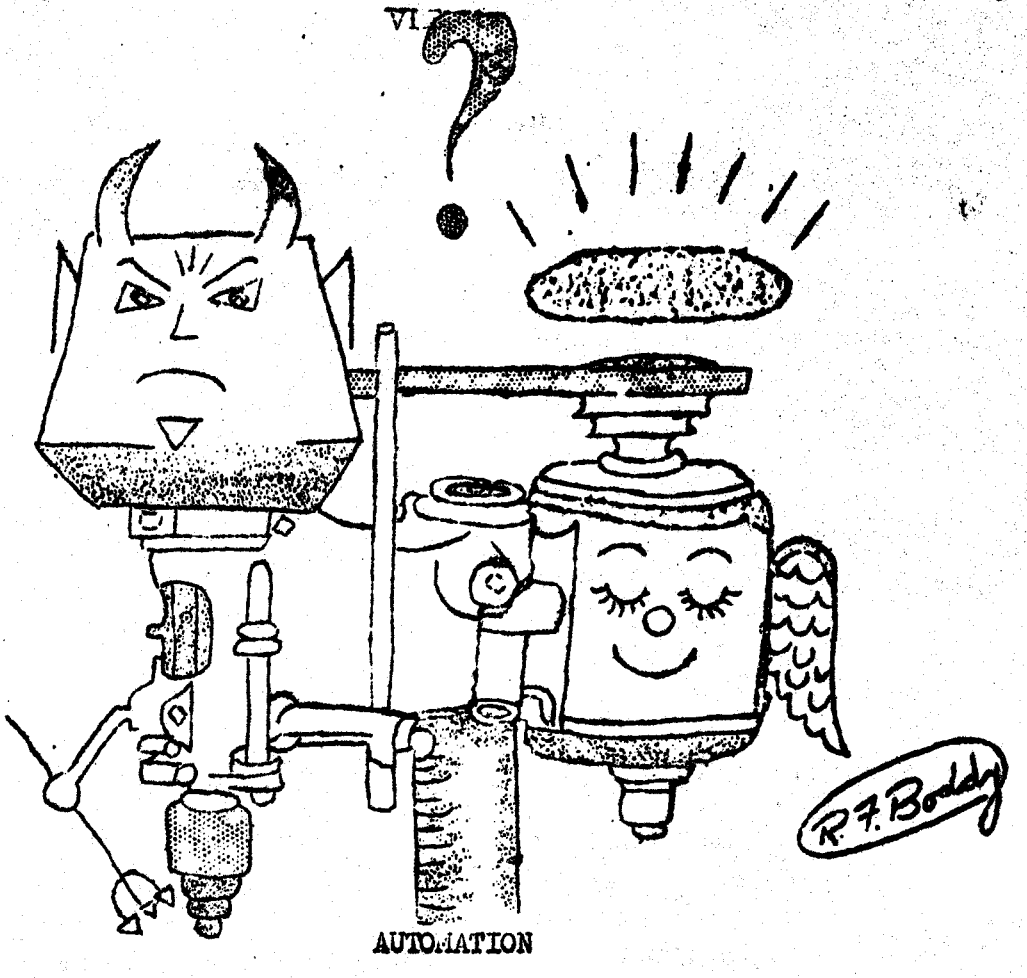
ELECTRONIC REPRODUCTION PROHIBITED

Volume II, No. 6 Dec, 1965



AUTOMATION

PART I -- MODERN LUDDITES

National economic planners start with the premise that a "totally" free market economy is improper, unjust, immoral, or impractical. They institute, by law or by administrative agency, controls over various segments of the economy. The results of their controls are usually the opposite of their original intention, creating new problems or making old ones worse. Some one must take the blame for the results. Since politicians do not readily admit error in their quest for power, they must find a scapegoat. Since the planning is in the area of business, who is a better fall-guy than the businessman? He is held in disrepute generally anyway. Next comes the publicity campaign to convince the populace of the guilt of the scapegoat. Once guilt is established, further government planning can proceed, by this time at breakneck speed. New controls are instituted to correct the alleged abuses of the

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guilty party. The planners ride the crest in that segment of the economy until a new crisis occurs. Then what might be called the Planned Economy Cycle begins again.

In a speech to the U.S. Senate on March 14, 1834, Henry Clay said, "The arts of power and its minions are the same in all countries and in all ages. It marks its victim; denounces it; and excites the public odium and the public hatred, to conceal its own abuses and encroachments."

Clay's identification of the surreptitious methods of power lusters is all too apt in the United States today. Under the guise of free enterprise, merely "assisted" by a little planning, farming is controlled, banking is controlled, securities and investment are controlled, interstate commerce is controlled, education is controlled, and the relation between labor and management is very much controlled. This latter is particularly pertinent to the furor surrounding the subject of automation and unemployment. In this area, I would say we are currently witnessing the publicity-campaign phase of the Planned Economy Cycle. Government planners, union leaders, and intellectuals are mounting a vigorous campaign against businessmen, alleging that they are the cause of a major portion of our unemployment (reported by the Bureau of Labor Statistics at 3.5 million) through the use of automation. With supposed callous disregard for the "human element," businessmen are charged with putting men out of work needlessly, thus creating a "technological unemployment" problem on a grand scale.

A sample of the current publicity was reported in the November, 1962 Monthly Economic Letter of the First National City Bank, which discussed statements made by Mr. W.H. Ferry, staff director of the Center for the Study of Democratic Institutions of the Fund for the Republic: "Stating that 'automation and its technological cousins may prove to be the main destroyers of what is left of capitalism,' he foresaw a social and political crisis: 'The individualism of the eighteenth and nineteenth centuries is a casualty of technology, as are old theories of private property. Government must intervene more and more in the nation's industrial life." He predicted staggering unemployment percentages for the future.

"Steelworkers and Automation," a pamphlet published (1961) after the 10th Constitutional Convention of the Steelworkers Union gives another sample of the publicity, from labor's point of view: "The pace of technological progress is leaving a trail of unemployment and distress for many American citizens. . . . The contribution that Steelworkers have made to the increased wealth and efficiency of the Steel Industry has been rewarded by unemployment and the loss of job opportunities, while the Industry has benefited by increased long-run profits and lower breakeven points." According to the April, 1965 issue of Steel Facts, Bureau of Labor Statistics data indicate that average hourly earnings of hourly production employees in the iron and steel industry rose 304 per cent from 1940 to 1964, exceeding the increase in any other major industry.

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In the face of this publicity campaign, I suggest that by taking a common sense view of the facts, one can prove that the campaign rests on a false structure of reasoning. High levels of unemployment are caused directly or ultimately, not by automation, but by government intervention into the economy. It can be demonstrated further that government intervention is even responsible for speeding up automation, causing it to occur more prematurely than it would naturally occur in a free market economy. In addition, I shall show that the proposed cures (government controls) for the unemployment problem will only lead to further unemployment.

Before examining unemployment and its causes, however, let us examine automation, its meaning, background, causes and results. "The word automation is used in so many different senses that few people agree on its precise meaning. At first, the term was applied to industrial processes in which electronic sensing devices were used to monitor production equipment by 'feeding back' information on performance and automatically correcting for deviations from the predetermined program. Later the progressive development of high-speed electronic computers with capacious 'memories' and the ability to make thousands of calculations per second has permitted applications in production and inventory control, accounting, marketing and planning. Now automation has come into popular use as a word for labor-saving devices of all kinds." (Monthly Economic Letter, op. cit.) In addition to a wide range of definitions and descriptions, various words are often substituted for automation, such as cybernation, mechanization, supermechanization, computerization.

Many people think of automation in only one way--the process of rendering automatic. They envision a huge steel mill run by only a handful of men, an assembly line of machines requiring only one man, or the completely automatic elevator. The term automation embraces a much more general idea--the means of increasing production or making it more efficient by labor-saving devices of all kinds. (This is the sense in which I use automation in this article.) This category includes any machine, device, or invention over the last two hundred years which helps modern man to produce more. For example, originally men plowed the earth with their fingers, then they pushed a hand plow or got a horse to do the job. Today, the tractor relieves man of his physical burden, requiring only a little mental effort to produce one hundred times more than the hand plow could produce.

Many people fear automation. They fear that simple unskilled work using muscles will be replaced by jobs requiring greater mental effort than workers are capable of. In one sense this is true. Operating a complex machine tool today requires more mental effort and greater knowledge than digging coal out of a hillside. But on the other hand, look at modern elevator operators and assembly-line workers. Even though a man is capable of no more mental effort than pushing a button he can earn a living, raise a family, and own an automobile. In short, the very survival of the mentally limited rests in automation. Viewed in this way, automation is the necessary ingredient of fuller employment.

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Its detractors, however, have always viewed automation as synonymous with unemployment. The publicity campaign had an early beginning. In 1780, for example, Lancashire textile workers petitioned Parliament: "A domestic evil of very great magnitude has sprung up within these few years, and increased to such an extent as threatens the total loss of employment to this very numerous body of industrious individuals; and that the evil in question is the introduction of patent machines and engines, of various descriptions, which have superseded manual labour to such a fatal and alarming degree, that, with the decrease of the manufacturers proceeding from the event already recited, and several other incidental causes, many thousands are at this moment, with their families, pining for want of employment." (Monthly Economic Letter, op. cit.) In Holland in the early 19th century, workers attempted to destroy power looms by throwing their wooden shoes, or sabots, into the machinery. (This is the derivation of the word "sabotage.") Workers in England at the same time attempted to destroy power looms or set fire to the factories. "Those who did so became known as Luddites after their real or fictional leader 'Ned Ludd' or 'King Ludd.' (William Francois, Automation: Industrialization Comes of Age, 1964) They were destroying labor-saving devices which by 1835 had increased productivity to the point where 37 times as many as formerly could earn their living in the cotton textile industry. (Monthly Economic Letter, op. cit.)

Though the term automation (coined in 1946 by a Ford Motor Company executive, Delmar S. Harder, according to Professor William Francois) is new, the phenomenon is not. Nor is the publicity campaign against it, as I have shown. "Indeed, each great advance in technology has excited fears that machines would take work away from people and deprive great numbers of their means of livelihood. . . . The worry over automation is the same old controversy with a new name. In the 1920's, the phrase 'technological unemployment' was invented to cover it, and in the 1930's a movement called Technocracy was launched as the answer." (Monthly Economic Letter, op. cit.) In the 1960's we are actively caught up in what is called the "Age of Automation."

In concrete terms what is automation all about? How does it get started? Imagine that you owned a steel mill in a totally free economy. Let's analyze why you might automate. Assuming that you are in business for the purpose of earning profits, you might realize that a greater profit potential exists if you can increase the output per man hour of labor expended. How to do this. You might consider replacing all the workers with machines that produce everything. But you would reject this alternative because machines so complex would be prohibitively expensive to purchase and maintain. A second alternative would be to provide more and better machines for each worker, thus increasing his personal productivity per hour. By increased productivity, you are able to produce the same amount or a greater amount with fewer workers. The unit cost of production is lowered. (One of the largest portions of the cost of any product is labor.) This, if demand is adequate, should result in lower prices for products offered to consumers, and increased sales for you. Increased sales mean increased profits for further business expansion. The money that consumers save enables them to increase their purchase of other goods and services. Thus, jobs to absorb those

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temporarily unemployed are opened in two ways--by the additional business you will do in the future, and by the additional business consumers can create for others by their increased purchasing power. Also, increased productivity per worker in automated industries should result in higher wages, which also permits them to expand their purchases of goods and services, thus generating new jobs still further. Why higher wages? It is to the self-interest of any employer to pay high wages in order to retain workers who have had expensive training or who have learned his work procedures and follow them conscientiously.

You would probably automate your steel mill by a very gradual process, since it would take time for you to build enough profits to buy labor-saving devices. This woul mean that your layoff procedure would also be gradual, thus allowing the economy to absorb your former employees in other capacities over a reasonable amount of time (or you could absorb them yourself by retraining programs.) Your productivity would be building gradually also, presumably as demand increased, otherwise you would be foolish to automate at that time. That segment of the economy closely related to you would undoubtedly begin automating too, to meet your more competitive prices, or to keep up with the faster pace you have set.

By taking advantage of technological improvements, then, you have created wealth and jobs where they did not exist before. Further capital expenditure on your part in new business ventures means the creation of new jobs in new steel mills. In addition, jobs are created for the manufacture and servicing of the labor-saving machinery itself. Moreover, automation permits the creation of improved and brand-new products and industries (and the jobs required to produce them). There are some who posit a theoretical "saturation point" for the consumer through over-production, as if future demands and wants must come from the present product alternatives. Who in 1780 would have dreamed that consumers would ever "need" television sets, spark plugs, Crazy Foam, and filters for automatic percolators?

It is true that in the short-range view of things, your move toward automation has caused some temporary, short-term unemployment. If a labor-saving device saves labor, somebody will be out of a job. But in the long run, one can see that an unhampered market economy would always tend toward greater productivity, which means toward greater employment, profits, wealth and purchasing power. Why then, one may ask, are we having an unemployment problem today, even though our productivity seems to be constantly increasing?

The answer to the unemployment question is anything but self-evident. There are the obvious short-range causes of unemployment mentioned earlier, which result from actions of the private sector of the economy. In addition, one can see some obvious catalysts provided by government--unemployment compensation, welfare programs and a lure to early retirement in the form of social security.

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But what about the long-range causes which lurk below the surface? In the long range, as I have shorn, automation creates jobs. Even responsible union leaders will admit this. Who is destroying jobs? Who are the modern Luddites? Not the businessm who automate, but government planners who step into the free market to gain power ove the marketplace or who try to force others to implement their so-called humanitarian intentions. Government interventions into the economy are like lies, one begets another. This has been the story of the last one hundred years--the Planned Economy Cycle has grown wider and more complex. Its results have become more tangled and difficult to see, perhaps, but their direction has been consistent--toward greater and greater control over the economic decisions people make.

The first area of government intervention I would like to examine is that of price-fixing. Its effects on employment are hidden from immediate view. For example, if the government decides to lower or freeze the price of steel by law, the supply and demand mechanism of the market ceases to operate. Marginal producers (those who do not operate in the most efficient manner) will go out of business because they cannot produce steel at so low a price. Their former employees join the ranks of the unemployed. The supply of steel shrinks. No new producers will enter the field because of low profit potential, and consumers are left holding the bag--scarcity of a vital commodity.

Another pet project of all interventionists is the minimum wage. The minimum wage is intended to provide all workers with a "minimal" standard of living, but especially to protect workers who have few skills from an "unfair" low wage. Compare the so-called humanitarian intention to the result--further unemployment. If an employer has to pay an artificially high wage (one which is not the result of supply and demand), he will make very sure that he's getting his money's worth. Thus he will look for the employee with greater skill. The man who, in market terms, might be worth $.70 an hour to the employer will never be hired, because he's not worth $1.50. Economic value is not created by government edict. Those who might be able to earn a living in a free market at $.70 an hour must now be content with unemployment checks or no money at all. The very group the government "intended" to help has been hindered immeasurably. Good intentions pave roads in certain locales; they do not always line pocketbooks.

Another government action which results in incalculable unemployment is taxation. Corporation profits are taxed as high as 48%. What does this mean in economic terms, besides the fact that industrialists have fewer profits with which to buy Cadillacs and gold-plated bathroom fixtures? They also have fewer profits to pour back into research and business expansion. What do research and expansion mean to the man in the street? More and better consumer products and more employment. Unless you take money out and tear it up (or explode it in munitions), whatever is done with money, whether it is spent on luxuries, invested in the stock market, or put in a savings bank, it makes someone's job more secure. High taxation aborts jobs before they are born, thus many people never think of it as a means of perpetuating existing unemployment, that might otherwise be relieved by the birth of new industry.

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By far the most significant cause of labor's unemployment is labor legislation itself. Over the last fifty years or so labor unions have been able to get government enforcement, by law, of wages and benefits which in no way reflect market conditions. As with price-fixing of commodities, price-fixing of labor leads straight to unemployment. An employer cannot indefinitely pay artifically high wages without having to constrict his business activities. Constriction means unemployment. For some employers, constriction means bankruptcy. "Real" wages (as opposed to inflated ones) do not grow on trees, in the halls of Congress, or in union leaders' offices. They have only one source--increased productivity. (To repeat, economic value is not created by edict.) Because unions have the ability to demand, and get, more than a free market would be able to give them, we have to ask: Where will the money come from? Excluding the inflationary printing press, it can come from only two places--from the pocket of the consumer who must pay prices which include high labor expense, or from the employer's profits which would otherwise be used for expansion and the creation of more jobs. Since every worker is a consumer too, this process is self-defeating.

Labor unions have also often earned a reputation for fighting greater productivity. They turn to what are called "total security" contracts to fight automation and increased productivity. They refuse to change jobs and demand to be retrained. They think it is unfair for them to be expected to learn new skills; this is not their idea of the security they think their employers should provide. If they are able to make their demands stick (by laws, decisions of the National Labor Relations Board, or through the courts), the expenses of the employer invariably go up, and more people are put out of work. What many labor union members do not seem to understand, however, is that the benefits for those members who work are gotten at the expense of those workers (both union and non-union) who can't get jobs or who are thrown out of work.

Henry Hazlitt gave a clear picture of the modern labor Luddites in the March 5, 1962, issue of Newsweek: "Unions no longer smash machines; but they still insist on slowdowns, make-work practices, featherbedding, retention of wholly unneeded workers, and other penalties to discourage mechanization. These policies injure all of us, and workers most of all. . . . To blame automation for current unemployment is to divert attention from the real cause. That cause is excessive wage rates in certain lines. It is no accident that some of our most serious unemployment is in the coal and steel industries, in which hourly wages have been $3.10 and $3.26 an hour respectively, compared with an average of $2.34 an hour in all manufacturing. And these job-destroying wage rates are the result, in turn, of the special legal powers and immunities that government has conferred on the unions." Since Mr. Hazlitt's writing, hourly wages in the steel industry have risen to an average of $3.70. When benefits (pensions, insurance, vacation plans, etc.) are added, total employment costs per hour rose in 1964 to a high of $4.35 per hour. (Steel Facts, April, 1965)

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The economist Ludwig von Mises echoes this view in Socialism (1951): "Unemployment is a problem of wages, not work. . . . [If employees] did not act as trade unionists, but reduced their demands and changed their locations and occupations according to the requirements of the labour market, they could eventually find work. For as long as we live in the real world and not in the Land of Heart's Desire, labour will be a scarce good, that is, there will be an unsatisfied demand for labour." This reminds me of an article in Nation's Business (May, 1965) entitled "What's Happened to the Will to Work?" with the sub-heading "Uncle Sam Spends Billions on Unemployed While Jobs of all Types are Going Begging."

Is it any wonder that industries which must face not only increased wage costs, but also foreign competition from countries with lower wage scales, turn to automation more quickly than they might otherwise have in a free market? Companies automate prematurely out of desperation--to escape the artificial wage burdens imposed by government and union power.

We can see the results of what I call premature automation more clearly if we refer to the steel mill example again. Consider how different the picture would be if you operated your steel mill in the context of today's labor market. Let's suppose you have a responsible management which has planned production control carefully. It has organized the factors of production efficiently, has attempted to discover exactly what productivity levels its machines and employees are capable of, has arrived at realistic crewing guides, and has done its best to demand that these productivity levels be met by union labor. But suppose that at the same time it must also cope with yearly increases in wages and benefits, opposition from a union which demands (and is able to enforce) featherbedding procedures, and threats from the government if you attempt to raise prices to meet increased costs. Since your management has already organized the factors of production to produce steel as efficiently as it can with existing facilities, you are likely to see that there is only one way to increase productivity--automation. Otherwise you will have to operate at a loss in order to meet competition.

Even though you would prefer to delay for a few years, you decide to automate in the near future because of the pressure of profit and loss. You therefore purchase labor-saving equipment on credit--the profit squeeze of recent years has not made it possible to accumulate a fund to finance either the new machinery or the increased overhead. You pick from several alternatives: money drawn from retained profits (set aside for such uses as research and expansion); a large bank loan (on which you must pay interest), the sale of bonds (on which you must pay interest), or the sale of securities (on which you must pay dividends to make them attractive to the purchaser in the first place).

Because you are automating quickly under pressure, the first immediate result of this premature action is a glutted labor market. Direct labor costs must be reduced to offset the new costs which you are incurring--financing the purchase of the equip-

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ment, increased overhead (maintenance, upkeep, repair, power, depreciation), taxes, insurance, etc. Many men will be put out of work. There will have to be an indefinite time lag to take care of two needs: 1) the need for former employees to retrain themselves or be retrained so that they can find new work, and 2) the need for new industries to be born to absorb the unemployed.

The second major result of this type of automation is heavy debt. Since you, as a private entrepreneur cannot rely on deficit spending, you must rely on productivity to erase the debt. Given such a heavy debt, you or another producer in a similar situation may be tempted to overextend productivity to make up for the large investment. Those who keep a watchful eye on production and sales (supply and demand) will not create such a problem. Too often, however, the result can be an inventory surplus with a slow turnover. The market cannot absorb the supply. This can only lead to further labor layoffs to allow the market to consume the stockpile. Continued over-production can lead to bankruptcy, and the loss of still more jobs.

This type of automation is premature from several standpoints: it happens too soon for the producers (saddled with debt), too soon for the employees (out of jobs), and too soon for the economy generally. An economy whose outstanding features are debt, dislocations in supply and demand, and unemployment is not particularly healthy. The long readjustment period needed for all of these factors to come back into balance could have been avoided had the Planned Economy never been planned.

Today, however, the two major possible bad results of premature automation--overproduction and mass unemployment--are blamed on businessmen. In fact, however, the businessman is often caught in the middle. If he doesn't automate he'll go broke. If he doesn't comply with labor legislation, he's liable to prosecution. If he does automate prematurely, he may cause unemployment and overproduction. Caught in the Planned Economy Cycle, then, he accepts the blame for a situation caused by the combined actions of union and government power, over which he has no control.

What further complicates the picture of premature automation, however, are the actions of that segment of the business community which does not act responsibly and intelligently. Its actions lend credence to the bad reputation which industry is suffering from in the current publicity campaign about automation and unemployment.

For example, there are the automation faddists, who see automation as a panacea for all of their production and management problems. They see that other companies have success with automated equipment, and they assume that if it works for Uncle George, it will work for them. In addition, some of them view automation as a status symbol. Without bothering to analyse and judge costs, production, demand and economic practicability, they purchase hundreds of thousands of dollars of equipment. Since they don't know what productivity (in quantitative terms) they can reasonably expect from their present employees, they have no standard by which to judge whether the huge investment is actually economic. Heavily in debt, they watch their new machine do the work of 20 employees in two hours. Horrified, they realise that it is sitting

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idle for the other 22 hours of the day--idle time in which it is producing nothing to help pay for itself. Realizing that profits cannot be increased nor costs reduced by idle machinery, they try to find work for the machine to do. This means rehiring people to feed the machine on three shifts to produce work that they have no real need of, or increasing costs which now have to include overhead on idle equipment. The profit-and-loss account of a company which foolishly automates in this manner may be mostly loss. It does not act in its own self-interest, nor in the interest of employees, consumers, or any other group. It clutches at straws to solve problems, and unfortunately may contribute to the unemployment rolls in the process.

Even though many of the foregoing causes of unemployment are deceptively easy to overlook, they must be taken into account. It is not wishful thinking to try to imagine what heights of industrial growth and employment we would have reached without excessive taxation, labor legislation, price-fixing, etc. It is the realistic thing to ask "What if these hadn't occurred?" Unless we understand past errors, we can't very well correct them.

Unfortunately, the unemployment caused by automation, particularly premature automation, is all too easy to see. People become inflamed or upset and are then ripe fodder for power-lusting bureaucrats. These officials, in an effort to gain power over the marketplace, play on the fears of the public and go scapegoat-hunting. They have a million cures to offer for a problem which is primarily of their own making. The cures always involve more government control over the economy, never less. (In next month's issue, I will examine these cures in detail.)

They build an "unemployment scare" around automation, in order to mask the less obvious causes. Robert O. Snelling, Sr., president of 160 employment agencies, gave an interesting account of misleading unemployment statistics when interviewed in the May, 1965, issue of Nation's Business: "He gives the following examples of people who are wrongly included in unemployment figures: high school and college students between semesters who will be returning to school, . . . people who have voluntarily left their jobs to strike against the company, . . . actors between shows who have already earned as much as $50,000 during the year, retired people on social security and retired servicemen receiving pensions who say they'd like to work to get additional income, persons scheduled to start new wage or salary jobs within 30 days, . . . [and] people who have been offered work but have refused to accept it because they consider the pay too small, the distance too far, the work too different from their previous occupation or the position beneath their dignity. 'Including these kinds of people in statistics that are supposed to reflect the percentage of people genuinely out of work and actively looking for employment is ridiculous,' Mr. Snelling claims. 'Many of them would not take a position even if offered, especially if they are still collecting unemployment compensation. The unemployment figures advanced by the Department of Labor are bloated out of all proportion for political expedience, for

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bureaucratic reasons and to make sure the United States Employment Service keeps getting an increasingly larger share of the taxpayers' money."

The unemployment scare is the creation of the publicity campaign we are witnessing today. The modern Luddites (in both government and labor circles) have pounced on it as a justification for further "national planning". This is their panacea, and the fact that freedom will be sacrificed in the process does not seem to bother them.

Whose freedom? Not just the freedom of the businessman to take his risks and make his profits (which many people seem willing to dispense with), but the freedom of the workingman to work without taking his job out of the hide of his unemployed fellow union member; the freedom of the workingman to work to the limits of his ambition and initiative without having his job endangered by government action; the freedom of the workingman's children to grow up in a job explosion that has not been outstripped by the population explosion, rather than face a lifetime of youth camps, army camps, and welfare checks. And the freedom of the consumer to buy what he doesn't know he wants yet, when he wants it tomorrow. These are the things the planners will take away, under the guise of helping everyone, if we let them.

--Joyce Jones**

**I am indebted to Fred Jones, a New York management consultant, for many of the ideas and formulations on which this article is based.

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R E V I E W S

PATTERNS OF POLITICAL CHANGE

The Evolution of Political Thought, by Professor C. Northcote Parkinson, Compass Books Edition, Viking Press, New York, 1960.

C. Northcote Parkinson is famous for his serio-comic attacks on bureaucracy and taxation which he carried out in his two books Parkinson's Law and The Law and the Profits (see Persuasion, April, 1965). With these books he gained audiences of a size usually denied the scholar. The Evolution of Political Thought reminds us that after all he was Raffles Professor of History at the University of Singapore. In this work the wit that was the leit-motif of the other two books still occasionally shows itself, but for the most part this is a serious history of how men have thought on the nature of government.

The book is divided into four sections: Monarchy, Oligarchy, Democracy, and Dictatorship. He looks at each of these historically and does eloquent, condensed summaries of the major political thinkers who have attacked or supported these forms of rule. As he does this, he describes a pattern of power that he sees repeating itself over and over again in civilization after civilization. ". . . Monarchy arises . . . superseded by aristocracy, replaced by democracy which ends in dictatorship which well may be a prelude to monarchy again."

In exploring his thesis his erudition ranges back and forth across thousands of years of history. Over and over again he brings forth fascinating aspects and interpretations of history. He cites the existence of republics in ancient India, examines the repeated occurrences of socialism in China over the centuries, sees John Locke as primarily a defender of aristocracy, declares the Soviet Union to be fundamentally a theocracy related in type to ancient Egypt, states that of major ancient nations only Byzantium had more economic controls than most modern nations of the west, and by quotation reveals that some early Chinese thinkers deeply opposed government interference in the economy.

By implication Parkinson sees government as primarily a matter of who has the power, and therefore the type of government is set by what kind of person and how many persons control the apparatus of the state. When one man does so and his accession to rule is set by birth, you have monarchy. But this lasts but a time since kings by having descendents and by having to delegate authority, create a nobility. Eventually this class takes over effective power, forming an oligarchy of which aristocracy is a kind. But aristocratic classes tend to multiply, to embrace more and more people until the people themselves by degrees become sovereign. Pure democracy, the extreme of this, occurs when the people can do virtually anything to anyone by majority vote. This leads to the confiscation of wealth, and so comes socialism. But like all other forms of government, socialism, too, has built-in weaknesses. Its

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endemic injustices create revolt. In the ensuing chaos power is seized by one man, and a dictatorship is established.

"In ancient Greece the examples of democracy turning into dictatorship after a phase of socialism were so numerous that the Greek thinkers felt justified in regarding that sequence as almost a law of nature." Why this seeming law of nature? The answer is complex, in fact according to Parkinson, too little is known yet for anything but a guess. "There is hardly a modern state not grossly overburdened with unproductive clerks and officials. . . . But there is no remedy for it under a democratic form of rule." Injustice is institutionalized in a democracy, majority rule in effect enslaves large sectors of the population to the benefit of other sectors. A counter movement occurs when the oppressed unite, sometimes in a time of emergency, to reclaim or assert their rights.

The catalyst for this unity generally comes in the person of one man, the tyrant, who leads the oppressed to take power. Once in power, the dictator cannot abandon his power. If he does, the enemies he has made will kill him. "The collapse of dictatorship owing to disability, defeat or death of the dictator is unlikely to preclude a more than momentary return to democracy or oligarchy. Ordinarily /the people/ will have forgotten how to govern themselves." New dictators arise, to die or be deposed. Many times the final result is the re-establishment of a monarchy, a new dynasty and the whole process starts over again.

Parkinson ends the historical portion of the book with sombre optimism. This "treadmill round" need not always occur. ". . . While the course of history may reveal a trend, it does not prove that the trend is inevitable." In the history of mankind "there are instances of a danger being avoided, provided only that the danger has been perceived."

Although it occupies only a few pages in the back of the book, Parkinson's epilogue must be mentioned since in it he expresses his philosophic point of view, an approach which in various forms does show itself from time to time in the main body of his work. Here he cannot answer the question he puts to himself: Which form of rule is best? In fact, he holds that this question can never be answered. "Even when all the facts from past history and present experience have been assembled and compared, the political scientist can base upon them only the most tentative conclusions."

And yet he calls for experiments in government, future systemized investigation conducted by the rules of the "scientific method," while stating, " . . . We should not expect the result of this investigation to be either universal or final. . . . Nor should one expect to find an answer which would remain valid for more than twenty years." Why not? There are no "eternal verities."

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"Nothing human is likely to be perfect, and if it were (here and today) it would no longer be perfect a century hence nor perfect now in another place."

And so he is guilty of a serious inconsistency. He calls for the methods of science (which is, after all, a body of principles) to seek out and experimentally validate the best form of government (not stating what principles will be used to judge what is best), while denying that principles exist. Applying the approach that principles are "neither universal or eternal" would mean that the following concepts could not be used as any sort of universal standard of government: liberty, rights, due process, constitutional republicanism, rule of law rather than men. This would mean that one could make no final moral judgments with respect to Nazi Germany, Red China, or the United States; that there could be no basis for an absolute choice between freedom and slavery.

Parkinson shares this philosophic disposition about the nature of principles with many writers and thinkers today. And if all he brought forth in this book were simply another statement of this disposition, it would not be worth reading by anyone convinced that it is principles that will save us.

But his short analyses and summaries of the key political theorists and activists alone make this book worth reading. He has that too-rare ability to look at ideas and to state them as they are, without intruding his personal philosophy. History in his hands is never dull. One can be informed and entertained by Parkinson, while regretting his lack of conviction that his distaste for dictatorship is more than subjective. Parkinson regrets it too.

--David J. Dawson

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